

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MONTANA**

In re

**YELLOWSTONE MOUNTAIN
CLUB, LLC,**

Debtor.

Case No. **08-61570-11**

Jointly Administered
with:

In re

**YELLOWSTONE
DEVELOPMENT, LLC,**

Debtor.

Case No. **08-61571-11**

In re

BIG SKY RIDGE, LLC,

Debtor.

Case No. **08-61572-11**

In re

**YELLOWSTONE CLUB
CONSTRUCTION COMPANY,
LLC,**

Debtor.

Case No. **08-61573-11**

**ORDER COMPELLING DEBTORS
TO AUTHORIZE FARCHEVILLE SALE**

At Butte in said District this 15th day of April, 2009.

In the above-referenced Chapter 11 bankruptcies, an emergency telephonic hearing was held April 15, 2009, on the “Prepetition Lenders’ Emergency Motion for Order Compelling Debtors to Authorize Farcheville Sale” filed by Credit Suisse at docket entry no. 752. Various

parties participated in the hearing, and Gary Peters (“Peters”), the Director of Danika Investments Limited (“Danika”), testified. The parties allege that Yellowstone Development, LLC, a debtor in this case, is the sole shareholder of Cosborn Investments, B.V., which in turn is the sole shareholder of Jaroup Investments, B.V., which in turn is the sole shareholder of Danika. Danika is the owner of property located in France known as the Chateau de Farcheville. Danika is allegedly indebted to Yellowstone Club World, LLC, which is in an involuntary Chapter 7 bankruptcy proceeding.

Peters claims that he has received a valid offer to sell either the Chateau de Farcheville or the equity in Danika for 20 Million Euros (approximately \$26.9 Million USD). Peters also has another offer of \$17 Million Euros and a third offer to purchase a portion of the real property (farmland), but no improvements, for \$1 Million Euros. Peters is also anticipating a fourth offer of \$18 to \$19 Million Euros tomorrow.

Credit Suisse and Peters claim that Edra Blixseth, the principal owner of the Debtors, and Ronald Greenspan, the Debtors' chief restructuring officer, in concert with CrossHarbor Capital Partners, are either refusing to accept the \$20 Million Euro offer or are obstructing such sale. The Trustee of the Yellowstone Club World, LLC, joins in Credit Suisse's pending Motion. The sale outlined to the Court, if legitimate and accepted, is slated to close as early as April 27, 2009. Complicating matters is Peters testimony that Danika or its directors have been ordered to appear before the French authorities regarding Danika's inability to pay its employees and its failure to otherwise pay its obligations as they become due, including its utility bills, which resulted in cancellation of utility service at the Chateau de Farcheville on April 1, 2009. Peters contends that if he and his wife, Frida Peters, who is the French Representative for Danika, do not have a

business plan for Danika on April 16, 2009, when they appear before the French authorities, that the Chateau de Farcheville could be seized and liquidated. Peters asserts that it would dramatically increase his chances of success with the French authorities at the hearing on April 16, 2009, if he could approach them with a proposed sale of the Chateau de Farcheville to close on April 27, 2009.

The Debtors oppose accepting the offer, asserting that it is nothing more than a letter of interest. Peters, who is familiar with French law, contends that the offer is valid and would not have otherwise been submitted to the United States for approval. After reviewing the documentation filed with the Court, and after considering the arguments of counsel and the testimony of Peters,

IT IS ORDERED THAT:

1. The Prepetition Lenders' Emergency Motion for Order Compelling Debtors to Authorize Farcheville Sale is GRANTED; and
2. Debtors are authorized, directed and compelled to authorize Danika (or other duly authorized person or entity) to accept immediately the Offer to Purchase for purchase price consideration of approximately \$20 million Euros.

BY THE COURT

A handwritten signature in cursive script, reading "Ralph B. Kirscher", is written over a horizontal line.

HON. RALPH B. KIRSCHER
U.S. Bankruptcy Judge
United States Bankruptcy Court
District of Montana